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FOR IMMEDIATE RELEASE

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FIVE CHARGED IN INTERNET PHARMACY CONSPIRACY THAT GENERATED MORE THAN \$33 MILLION IN PROCEEDS

PHILADELPHIA – United States Attorney Patrick L. Meehan today announced that the grand jury returned an 85-count indictment¹ charging five people with the illegal distribution of controlled substances, mostly weight loss drugs, using the Internet. The indictment alleges that no doctor ever saw or examined the customer before an order for a prescription drug was approved. According to the indictment, Rx Medical One, a California-based Internet company, received more than \$33.6 million in gross proceeds from the sales of these drugs.

“This was high-tech drug dealing,” said Meehan. “If you exclude meeting a dealer on a corner, the only difference between this and a street-level conspiracy was that the customers were asked to fill out a questionnaire. It is still illegal and without actual contact with a physician or pharmacist, very dangerous.”

The indictment charges that the defendants conspired to distribute controlled substance prescription drugs using the Internet between February 2003 and May 19, 2004. Charged are: MICHAEL BEZONSKY, of Calabasas, California, operating an Internet company named Rx Medical One; UNIVERSAL PHARMACY SOLUTIONS of Huntingdon Valley, Pennsylvania; Dr. RANVIR AHLAWAT, of Toms River, New Jersey; and Dr. STEVEN KLINMAN of Elkins Park, Pennsylvania. The indictment also charges a pharmacist, ALEXANDER ATCHILDIEV, of Huntingdon Valley, and THOMAS BEAULIEU of Santa Monica, California, a co-operator of Rx Medical One, with the illegal distribution of a specific shipment of Bontril, a weight loss drug that is a Schedule III controlled substance. The indictment further charges Bezonsky with specific distributions of prescription drugs and with money laundering; Dr. Ahlawat with money laundering counts related to a separate Internet operation called Rx-Stop; Dr. Klinman with one money laundering count.

¹An Indictment or Information is an accusation. A defendant is presumed innocent unless and until proven guilty.

The indictment charges that BEZONSKY and BEAULIEU operated Rx Medical One in Los Angeles to sell drugs over the Internet. Rx Medical One used an affiliate-based marketing system through which affiliates would advertise prescription drugs over the Internet and the orders would be taken by Rx Medical One. A customer who wanted to purchase a controlled substance prescription drug would place that order on-line through one of these affiliates or through Rx Medical One's own Web site. The customer would fill out a questionnaire giving personal and medical information and Rx Medical One would then have a medical doctor review the questionnaire. If the doctor approved the customer's request after reviewing the questionnaire, Rx Medical One then had a pharmacy retrieve the order from the Internet. The pharmacy would then fill the order and ship it out using an overnight delivery service.

Every prescription for a controlled substance must be issued for a legitimate medical purpose by an individual practitioner acting in the usual course of his or her professional practice. A prescription not meeting this standard is an invalid prescription. Any distribution of a controlled substance based upon an invalid prescription is an illegal distribution. A physician who prescribes a controlled substance for a "patient" based solely on a questionnaire which the "patient" fills out on the internet, and without ever talking to, examining, or having any personal contact with that "patient," is acting outside the usual course of his or her professional practice, and the prescription is not for a legitimate medical purpose. A purported prescription for a controlled substance issued in this manner is not a valid prescription. A pharmacist who fills a prescription has a corresponding responsibility for the proper dispensing of controlled substances. The filling and dispensing or distributing of a controlled substance by a pharmacist based upon an invalid prescription is an illegal distribution.

Working for Rx Medical One, five doctors, two of whom were Dr. Ahlawat and Dr. Klinman, being paid \$5.00, \$6.00 or \$10.00 per review, approved 231,243 prescriptions for controlled substance pharmaceutical drugs between late September of 2003 and May 19, 2004. These five doctors also approved an additional 127,148 prescriptions for non-controlled prescription drugs. Rx Medical One received approximately \$33,676,926.63 in gross proceeds from the sale of these controlled substance prescriptions. The most ordered controlled substance drugs of those charged in the indictment's individual counts were weight loss medications such as Phentermine, Bontril, Adipex and Didrex.

Universal Pharmacy Solutions of Huntingdon Valley shipped approximately 184,070 prescriptions to customers of Rx Medical One between August 2003 and May 19, 2004. Of these prescriptions, approximately 135,272 were for controlled substances.

"The overwhelming success of this investigation is the direct result of the commitment, hard work, and cooperation of our federal, state, and local partners," said James M. Kasson, Special Agent-in-Charge of the D.E.A. Philadelphia Office. "Let the message

ring clear that if you illegally sell drugs over the Internet, you will be arrested and prosecuted. Electronic drug dealers cannot evade the resources of law enforcement.”

INFORMATION REGARDING THE DEFENDANTS

NAME	ADDRESS	AGE
MICHAEL BEZONSKY	Calabasas, CA	44 years old
THOMAS BEAULIEU	Santa Monica, CA	53 years old
RANVIR AHLAWAT	Toms River, NJ	42 years old
STEVEN KLINMAN	Elkins Park, PA	57 years old
ALEXANDER ATCHILDIEV	Huntingdon Valley, PA	30 years old

If convicted, BEZONSKY faces 693 years imprisonment, a \$19,250,000 fine, up to a lifetime of supervised release, and forfeiture.

If convicted, BEAULIEU faces 1 year imprisonment, a \$125,000 fine, and a 1 year term of supervised release.

If convicted, AHLAWAT faces 65 years imprisonment, a \$1,000,000 fine, up to a lifetime of supervised release, and forfeiture.

If convicted, KLINMAN faces 25 years imprisonment, a \$500,000 fine, up to a lifetime of supervised release, and forfeiture.

If convicted, Atchildiev faces 1 year imprisonment, a \$125,000 fine, and a 1 year term of supervised release.

The case was investigated by the Drug Enforcement Administration, the Internal Revenue Service, United States Postal Inspection Service, the Pennsylvania Attorney General's Bureau of Narcotics Investigation, the Lower Moreland Township Police Department and has been assigned to Assistant United States Attorney Albert S. Glenn.

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